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FISCAL IMPACT STATEMENT

LS 6989

BILL NUMBER: HB 1298

NOTE PREPARED: Jan 30, 2012

BILL AMENDED: Jan 26, 2012

SUBJECT: Transportation of Food Products.

FIRST AUTHOR: Rep. Davis

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill provides that a person who operates a motor vehicle for the transportation of food without complying with health rules or certain health requirements concerning food transportation commits a Class A infraction. The bill authorizes a law enforcement officer to inspect, detain, and in certain cases impound a motor vehicle that does not comply with the health rules. It provides that a health inspector may order the disposal of certain food and the impoundment of noncomplying motor vehicles. It also provides that a person who transports food that was ordered disposed commits a Class A misdemeanor. The bill provides civil immunity for certain individuals enforcing food transportation safety laws.

Effective Date: July 1, 2012.

Explanation of State Expenditures: The bill would allow a law enforcement officer to inspect and detain a vehicle used to transport food to determine if the vehicle is in compliance with applicable food safety rules. the Indiana State Police (ISP) and local law enforcement agencies may need to provide some food safety training. The level and cost of potential training needs is indeterminate.

Background: Currently, the State Department of Health (ISDH) has authority over and regulations in place for inspection, embargo, and condemnation of food in transport. ISDH conducts Indiana Food Transportation Assessment Projects in coordination with other agencies such as ISP, the U.S. Department of Agriculture, and local health departments to examine truck loads for food safety and defense concerns. ISP assists by pulling trucks aside for the food safety and defense inspections, while ISP conducts vehicle safety inspections. Since 2007, ISDH has inspected 259 trucks, finding 20 in violation and disposing of 15,937 pounds of food.

Explanation of State Revenues: The bill establishes a new Class A infraction - transportation of food without complying with health rules. The bill also establishes a Class A misdemeanor - intentional transport of food that was ordered disposed.

Penalty Provision Infraction: The maximum judgment for a Class A infraction is \$10,000, which would be deposited in the state General Fund. The amount of fine revenue would depend on the number of cases and the level of fines imposed.

Penalty Provision Misdemeanor: If additional court cases occur and fines are collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class A misdemeanor is \$5,000. However, any additional revenue would likely be small.

Explanation of Local Expenditures: *Local Health Departments:* If ISP or local law enforcement has the authority to inspect and detain a vehicle suspected of transporting food not in compliance with food safety regulations, local health departments may have an increase in calls for inspections and potential impoundment of noncomplying motor vehicles. The fiscal impact would be dependent on local circumstances.

Penalty Provision: A Class A misdemeanor is punishable by up to one year in jail.

Explanation of Local Revenues: *Local Health Departments:* If local health departments have an increase in the number of food safety inspections, associated fees and fine revenue may increase. The fiscal impact would depend on local circumstances.

Penalty Provision: If additional court actions are filed and a judgment or guilty verdict is entered, local governments would receive revenue from court fees. However, any change in revenue would likely be small.

State Agencies Affected: Indiana State Police; ISDH.

Local Agencies Affected: Trial courts, local law enforcement agencies, local health departments.

Information Sources: ISDH Website, Food Transportation page at: <http://www.in.gov/isdh/25014.htm>

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